

Sussex-McDaniel P&H

Page No. 42

Additionally B Building concrete slabs continue to be in progress, this time in the Music and Art rooms, projected to be placed as of October 14<sup>th</sup>, 2003.

The final critical impact noted in this October 14<sup>th</sup>, 2003 meeting is remaining masonry that could impede CTA's roofing progress. To that extent "EDiS requests that Enterprise focus on completing any remaining work on the roof masonry so those areas can be completed by roofers."

Much in the vein of NDK before it, CTA has chosen not to attend prior project meetings, has not re mobilized the site, and is unequivocally delaying roofing in Areas A and E.

The McDaniel daily report of October 16<sup>th</sup>, 2003 notes:

"Is there anything or anyone delaying us: YES. Roofer & steel contractors. Also block layers."

10/28/03 CPM Meeting 29  
Steel Erection

B: Erection complete, but roof decking is not complete  
F: EDiS requested Murphy to complete misc items in F

"EDiS requested Enterprise focus on completing any remaining work on the roofs so those areas can be completed by the roofer."

"EDiS requested Enterprise Masonry complete exterior brick veneer in Areas C and the areas between C, D, E, and A as soon as possible, so these areas can be made watertight."

Roofing: CTA is working in Areas A, F  
F Building: CTA will roof over mech, electrical and kitchen areas as soon as parapet Walls are complete.

Based on the aforementioned progress the October 30<sup>th</sup>, 2003 update of the baseline schedule generates an October 27<sup>th</sup>, 2004 substantial, and December 31<sup>st</sup>, 2004 final, completion (MP&H11.TLP).

Noting that McDaniel was terminated on October 11<sup>th</sup>, 2004 with the majority of systems in actual operation there is concern that the continued EDiS mantra of "ten weeks delay resulting from weather" is authored to obscure the real magnitude of the delay and those responsible.

Yet another concern is, had the IRSD been apprised by EDiS of the actual delay impact, earlier in the project, they would have better understood McDaniel's later

Sussex-McDaniel P&amp;H

Page No. 43

performance and the reasonableness of the dates being achieved, and therein a termination been averted.

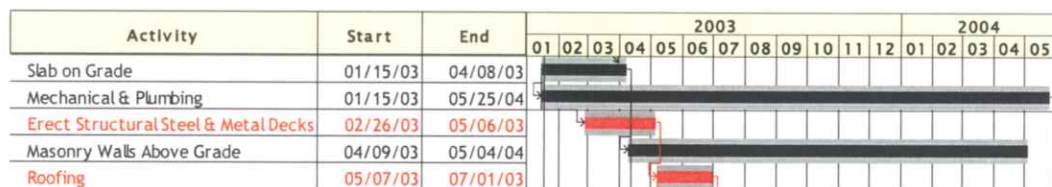


On November 3<sup>rd</sup>, 2003 McDaniel's project superintendent, Roger Dill, continues to note the impact of accelerated masonry performance on his efforts to place overhead piping. Per the baseline contract schedule McDaniel should have commenced mechanical & plumbing upon commencement of the first slab pour.

Sadly, the mason also started upon completion of the slabs and did not allow McDaniel the planned period of offset (1/15/ - 4/9/03 approx 3 months) thereby actively interfering with McDaniel's performance resulting in substantive delays and labor overruns:

"Anything or anyone delaying us: Yes - Block layers"

No matter how hard McDaniel pushes the remaining performance period, they have lost substantive time between the completion of the steel decking (in that they worked off same to forward the project ahead of schedule) and this date.



**Progressive Construction Management, Inc.**  
 Construction Scheduling, Claims and Management Consulting  
 300 East Spencer Lane, Galloway, New Jersey 08205  
 Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM

As a consequence of the mason's premature/accelerated commencement the time (originally between January 15<sup>th</sup> and April 9<sup>th</sup>, 2003) wherein mechanical could proceed without the imposition of wall construction is lost and cannot be regained. The loss of performance efficiency working around wall for largely vertical overhead installation cannot be understated and clearly further added to the critical delay impact.

This active interference will become more obvious in the coming months as labor overruns resulting from working in and around the constructive acceleration generated by EDiS/IRSD's management (that does not timely recognize equitable extensions in conjunction with prior unforeseen impacted performance). Ultimately these delays, working in unfavorable conditions, working out of sequence will result in the exhaustion of McDaniel's labor resources.

The following November 3<sup>rd</sup>, 2003 meeting minutes demonstrates that steel decking and slab on grade placement continue in B building. The EDiS schedule attached to the noted meeting minutes, oddly dated 9/18/03, references a completion of Mechanical rough in this final building on November 23<sup>rd</sup>, 2003.

The project actual performance dates tell us that the first slabs were placed in early June 2003, so for all intent the mechanical rough, per EDiS's request that same be concluded on the 23<sup>rd</sup> of November, is being required to be complete in six months.

The contract baseline schedule afforded sixteen months for the rough and finish mechanical sequences. Per the September 18<sup>th</sup>, 2003 schedule update the B finishes should complete approximately August 11<sup>th</sup>, 2004 with mechanical one week prior (Per baseline logic). Therefore the revised performance period, for mechanical overall, from June 9<sup>th</sup>, 2003 through August 4<sup>th</sup>, 2004, is fourteen months.

The feasibility of completing the mechanical, even in the reduced duration of fourteen months was highly dependent on the ability to achieve an enclosed structure, including structural steel, masonry, roofing and windows. Delays in any of these work scopes would not forestall the reported start dates, but would impact subsequent start dates in later buildings for the same activities. In summary the roof started in October, five months later than planned, starting in C, then A buildings. Initial progress was good, but as winter progressed the progress deteriorated rapidly generating later and later building enclosures that consequently impacted McDaniel's performance.

11/3/03 - Monthly Project Status Report for October 2003 - "THE PROJECT REMAINS 10 WEEKS BEHIND SCHEDULE DUE TO SEVERE WEATHER:"

Area A

Interior metal studs & soffits ONGOING

**Progressive Construction Management, Inc.**  
Construction Scheduling, Claims and Management Consulting  
300 East Spencer Lane, Galloway, New Jersey 08205  
Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM



Sussex-McDaniel P&H

Page No. 45

Masonry walls ONGOING

EPDM roofs is installed over the low area above media center

Area C

Interior metal studs COMPLETE

Sprinkler rough-in COMPLETE

VAV installation COMPLETE

EPDM roof over classrooms and penthouse COMPLETE

Window installation STARTED 10/28/03

Area D

Interior metals studs COMPLETE except for duct chase

VAV installation ONGOING

EPDM roof over classrooms and penthouse COMPLETE

Area E

Ext metal studs and sheathing 99% COMPLETE

Interior metal studs COMPLETE except for duct chases

Area F

Ext CMU backup walls 75% COMPLETE

Interior CMU walls along corridor and locker room ONGOING

Mechanical, electrical and sprinkler work has STARTED

Ext metal studs along cafeteria COMPLETE

Mechanical equipment installation BEGUN

Inst of electrical switchgear nearly COMPLETE

Area B

Steel erection COMPLETE

Installation of metal decking is ONGOING

Slabs-on-grade are 40% COMPLETE

The following excerpts from McDaniel's November Daily Reports demonstrate the frustration with not only delays, but the onset of Winter without exterior enclosure to afford working an acclimated environment.

11/4/03 - MPH DJR

"Is there anything or anyone delaying us? YES.

If YES, with whom has this been discussed? Nobody - time is not on my side. NDK said he doesn't have time to wait for me to fix broken pipes underground. Concrete's coming."

11/6/03 - MPH DJR

"Is there anything or anyone delaying us? Block layers: need outside walls. Winter is coming. Also need to clean up job site in all areas."

11/11/03 - MPH DJR

Delays? "Roofers: need mechanical room, E wing, A wing complete ASAP. Winter is COMING FAST."

11/11/03 - CPMM #30

Concrete - NDK

B: Slab pour cancelled due to rain

**Progressive Construction Management, Inc.**

Construction Scheduling, Claims and Management Consulting

300 East Spencer Lane, Galloway, New Jersey 08205

Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM

Sussex-McDaniel P&amp;H

Page No. 46

## Structural Steel

B: Roof decking not complete

## Masonry

EDIS: focus on roofs

## Roofing

CTA will roof over mechanical, electrical, kitchen as soon as parapet walls ready

CTA will roof area E as soon as Enterprise and NDK are done.

## Drywall

F: Blocking on parapet walls must be NLT 11/14/03

NDK needs to complete framing of penthouse F-302

NDK needs to sheath roof framing on F-10 line

11/18/03 - MPH DJR

Delays: "Roofer not on job site. Mechanical room, kitchen &amp; cafeteria, Area E need to be done ASAP."

11/25/03 - MPH DJR

Delays: "Roofer needs to be on the job site NOW."

11/26/03 - MPH DJR

Delay? "Roofing Contractors - BUT they are onsite TODAY."

12/2/03 - MPH DJR

No roofing contractor on site today.

As of November 30<sup>th</sup>, 2003 concrete in the B Building and subsequent roofing are driving critical performance.

To clarify open roofing issues we have listed roofing status, in each building referenced in the schedule revision of December 1<sup>st</sup>, 2003, but note that the roof completion reference does not reflect open penthouse roof structures which are forestalling the bulk of mechanical rough and critically impacting McDaniel's performance.

Task Name	Start	End	2003										2004	
			05	06	07	08	09	10	11	12	01	02		
Roofing	09/11/03	02/13/04												
Roofing C From 12/1 Schedule	09/11/03	10/07/03												
Roofing A From 12/1 Schedule	09/25/03	02/13/04												
Roofing D From 12/1 Schedule	10/02/03	10/13/03												
Roofing E From 12/1 Schedule	11/26/03	12/16/03												
Roofing F From 12/1 Schedule	11/26/03	01/02/04												
Roofing B From 12/1 Schedule	12/22/03	01/14/04												

Though it is likely that finish sequences will start prior to the planned completion of roofing in all areas, plus one month lag, as demonstrated in the baseline schedule, as

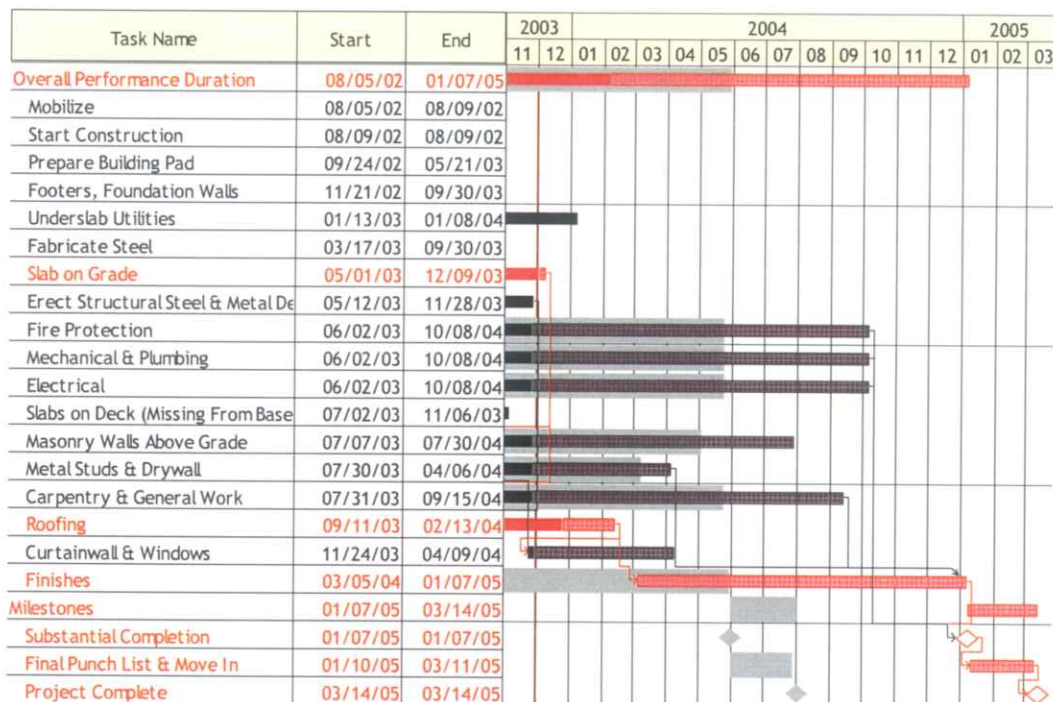
**Progressive Construction Management, Inc.**  
 Construction Scheduling, Claims and Management Consulting  
 300 East Spencer Lane, Galloway, New Jersey 08205  
 Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM

Sussex-McDaniel P&amp;H

Page No. 47

of November 25<sup>th</sup>, 2003 no drywall finishing has commenced, and given the lack of an operable heating system, and the onset of Winter weather it appears unlikely that finishes will start prior to early March as noted in the impact schedule.

If finishes are not commenced until March 2004, the impacted completion of the project would be January 17<sup>th</sup> 2005 substantial and March 14<sup>th</sup>, 2005 final completion, ultimately three and seven months after the date that McDaniel was supposedly terminated for failing to complete.



At this point in the narrative one has to question, given

- the failures in site work and building pad preparation, site access and erosion/water control
- the subsequent, defective and delinquent performance by the foundation contractor,
- the delayed commencement and increased durations generated steel and roofing contractors,
- the egregious delays to slabs on grade and deck placement,
- the subsequent, out of sequence, premature installations by the masonry and framing contractors,
- and the failure of EDiS to afford any enclosure or protection to combat late roofing and exterior masonry, in the second, unforeseen open winter

**Progressive Construction Management, Inc.**  
 Construction Scheduling, Claims and Management Consulting  
 300 East Spencer Lane, Galloway, New Jersey 08205  
 Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM

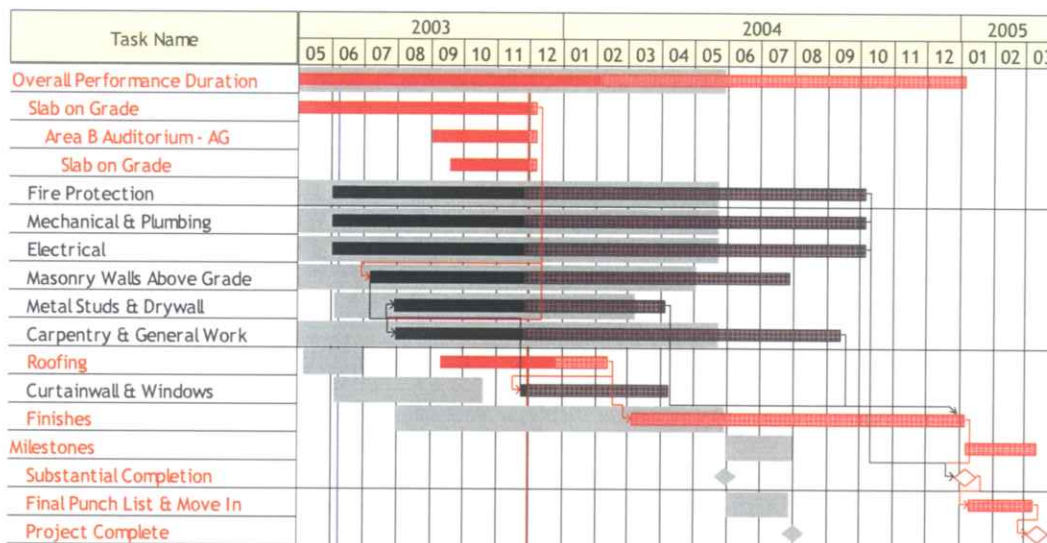


Sussex-McDaniel P&amp;H

Page No. 48

all prior to, or during McDaniel's work scope in all buildings, why an extension, well beyond August 2<sup>nd</sup> was not obvious to both EDiS and IRSD?

And when the timely extensions were not offered, how does McDaniel ultimately shoulder all of delay criticism/liability with this litany of failed administration?



12/9/03 - CPM #32

## Concrete

Theatre excavation is ongoing, no slabs poured

## Masonry

E ext walls

F ext CMU walls

F grouting remaining walls

CMU dam proofing, weather permitting

## Roofing

CTA not present at meeting

## Drywall

EDIS: NDK needs to install wood blocking on Area F parapet ASAP

Drywall C &amp; D

In the McDaniel daily reports of 12/15<sup>th</sup>, 16<sup>th</sup>, 23<sup>rd</sup> 2003 they reference delays by the roofer, while on the 29<sup>th</sup> through 31<sup>st</sup> of December 2003 McDaniel sets forth a second recurring theme, accelerated masonry performance:

12/29/03 - MPH DJR

Delay? "Roofers still not on job site". Bricklayers are working on Saturday, (Cannot keep up)

12/30/03 - MPH DJR

**Progressive Construction Management, Inc.**  
 Construction Scheduling, Claims and Management Consulting  
 300 East Spencer Lane, Galloway, New Jersey 08205  
 Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM

Sussex-McDaniel P&amp;H

Page No. 49

Delay? "Roofers & block layers"

12/31/03 - MPH DJR

Delay? "ROOFERS, AGAIN, AGAIN, STILL. Remember this date come AUGUST 4<sup>TH</sup>!!!"

These disconcerting notices, in conjunction with premature commencement of the masonry, delinquent roofing performance, with little progress to date, imminent winter weather, and the unwillingness of the roofer, CTA, to attend project meetings are the visible aspects of impacts to the project schedule that are interfering with efficient interior rough and finish construction sequences.

Throughout the Winter of 2003-2004, CTA was unable to roof the High School in a timely fashion, and as such critically impacted a number of MPH's activities. MPH's DJRs consistently give notice of the lack of a roof and the profound impact this is having on MPH's progress, specifically as noted in Dill's comment of January 7th:

**McDaniel Daily Report Observations**

Jan 1: Delay - roofers

Jan 2: Delay - roofers

Jan 5: Delay - roofers

Jan 6: Delay - roofers

**Jan 7: "Roofers need to be on site and install their work. We cannot hang VAVs or insulate any piping in E A F B wings at this time."**

Jan 8: "Roofer = add 6 months to completion"

Jan 10: "Roofers still not on jobsite. Winter is HERE."

Jan 12: "Roofers still - WHY?"

Feb 5: Project Milestones Reached Today: "Roofers are on job site 2 days in a row."

**The Progress Meeting minutes also confirm the delay impact of no roof:**

Jan 6 CTA not present at meeting  
CTA must complete E NLT 1/8  
CTA must complete F NLT 1/22  
CTA needs to provide cap flashing on C, D, E ASAP to prevent rain from entering bldg

Jan 20 CTA not present at meeting  
"McDaniel previously stated that the lack of roof in areas A B F and E is holding up ductwork installation."  
CTA must complete F NLT 1/22  
CTA must complete E detail work ASAP

Feb 3 CTA not present at meeting  
C D E cap flashing still not done  
E detail work not done  
F roofing was supposed to be complete 1/22, still not done

Feb 10 A roof 90% complete

**Progressive Construction Management, Inc.**

Construction Scheduling, Claims and Management Consulting  
300 East Spencer Lane, Galloway, New Jersey 08205  
Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM



Sussex-McDaniel P&amp;H

Page No. 50

Feb 17 CTA not present at meeting  
C D E F cap flashing not done  
F gyms and penthouse still not done

Mar 2 A complete  
F aux gym not done

To develop a better understanding of the status of roofing, in late January we note that C, E and D area roofing has progressed, but flashing is incomplete. Area A roofing completed on March 2<sup>nd</sup>, 2004, but again without flashing, while F and B are in progress as of that March 2<sup>nd</sup>, 2004.

Given that roofing was to complete July 1<sup>st</sup>, 2003, and remains substantively incomplete as of March 2<sup>nd</sup>, eight months later, and in that the roofing drives interior finishes the only question, in computing the impact as of March 2<sup>nd</sup> 2003 is to what extent can initially rough, but more importantly finishes, in any building(s) under roof, commence prior to the completion of all roofing as represented in the contract schedule.

The second concern is, assuming there is a start of finishes prior to the completion of the entire roof structure, how does this further compress performance time already impacted by

- Delayed by concrete foundations
- Out of sequence slab pours to arising from further delinquent progress and the need to coordinate around out of sequence steel erection
- Further impacted by delinquent steel erection,
- Prematurely obstructed/segmented and impacted by premature masonry wall placement
- Hindered by delinquent enclosure, including roofing
- And now possibly being required to progress previously impacted rough installation concurrent with premature finish construction

The result of roof delays, and the mounting Winter weather, generated the following report comments:

1/6/04: Concrete

Theatre stage and penthouse B301 slabs NOT POURED

Steel

Murphy not present at meeting  
A parapet wall steel NOT DONE

Masonry

B ext walls ongoing AS WEATHER PERMITS  
F curtain wall masonry to be complete 1/7

Drywall

**Progressive Construction Management, Inc.**  
Construction Scheduling, Claims and Management Consulting  
300 East Spencer Lane, Galloway, New Jersey 08205  
Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM

Sussex-McDaniel P&H

Page No. 51

NDK must finish A parapet wall ASAP - it's holding up the roof  
Drywall going up in C and D

1/8/04 Executive meeting # 24: "Weather has impacted the progress of both projects" ...  
"The completion for Sussex Central is August 2004. EDiS reported that due to continued weather impacts, the final completion is currently shown to be mid-September 2004.

The majority of the bldg would be ready, however area B, Theatre, may not be ready."

1/9/04 Delay: Roofer in Area F & B  
1/10/04 Delay: "Roofers still not on jobsite. Winter is HERE."  
1/12/04 Delay: "Roofers still - WHY?"  
1/15/04 Delay: "No". Verbal instructions rec'd:  
"Keep my mouth shut and do my job."

1/20/04 Concrete NDK  
Still excavating excess material from theatre  
Still working towards installing slabs in B theatre and penthouse

Murphy Steel  
Not present @ meeting  
Still hasn't installed steel on A parapet wall  
Misc plates, beams and decking to be installed in B. Waiting on masonry to complete.

Enterprise Masonry  
CMU damp proofing on hold due to weather  
B ext walls as weather permits  
Enterprise: will work on A and F when weather does not permit work on ext walls.  
Enterprise: Should complete supporting wall for A curtain wall by 1/23  
Working on curve walls b/w D and E.

CTA Roofing  
Not present @ meeting  
EDiS: Need cap flashing in C D E  
EDiS: Need to complete E detail work ASAP  
EDiS: Need to complete roofing in F NLT 1/22

Drywall - NDK  
Framing A parapet wall  
C complete  
D ongoing  
EDiS: D must be ready for paint by 1/28  
EDiS: E must start by 1/26

**Progressive Construction Management, Inc.**  
Construction Scheduling, Claims and Management Consulting  
300 East Spencer Lane, Galloway, New Jersey 08205  
Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM

Sussex-McDaniel P&H

Page No. 52

Mechanical - McDaniel

"McDaniel previously stated that the lack of roof in areas A B F and E is holding up ductwork installation. EDIS state that ductwork shop drawings for A B and F have not been provided, so ductwork should not be fabricated."

Therefore, at the close of January 2004 McDaniel is giving notice of the impact of not being able to install ductwork and interior HVAC equipment, due to the lack of roofing, in area A, B, E, and F, at that time seven months behind schedule. EDiS's response regarding the approval of duct shop drawings does no discount the efficacy of the delays arising due to the lack of a winter enclosure and their reasonable impact on the contract completion milestone.

As of January 2004, per the baseline schedule, McDaniel would have expended twelve of their contractually total sixteen month performance duration and despite this use of 75% of their performance time there still is no tight roof on C, D, E and F, no roof started on B building and the A building roof only recently completed (March 2<sup>nd</sup>, 2004).

Once again, the roof was to complete in all areas as of June 2003, now with seven months eclipsed the roofing remains incomplete. The concern is why EDiS is not notifying the IRSD of these substantive delays arising from concrete, steel erection and roofing performance, but shortly will assert that McDaniel is the sole impact to the project.

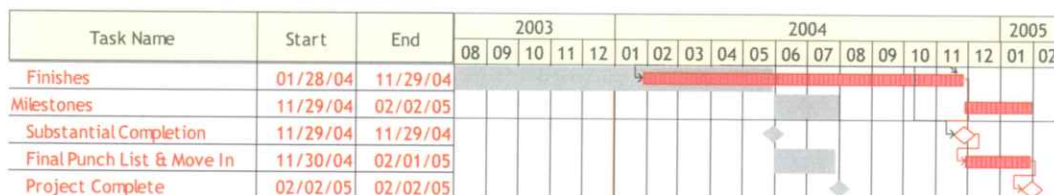
Despite these sizable roofing completion milestone slippages EDiS notes during the January 20<sup>th</sup> 2004 project meeting that they intend on progressing the drywall, in building D, to allow paint to start on or about January 29<sup>th</sup>, 2004, a net six month delay in commencement and with work only available in two of the six areas further delays would likely arise.

Even allowing EDiS this clearly premature date for commencement of finishes based on the level of incomplete roofing, the substantial and final completion milestones for the project would be November 29<sup>th</sup>, 2004 and February 2<sup>nd</sup>, 2005 respectively. Again, noting that McDaniel was terminated on the 11<sup>th</sup> of October 2004, after being stripped of the critical penthouse work, one and a half months prior to the impacted substantial completion, puts in question the propriety of the termination.



Sussex-McDaniel P&amp;H

Page No. 53



The February 3<sup>rd</sup>, 2003 project meeting minutes notes that, once again, CTA is unwilling to attend monthly meetings, as has been the case for the project to date, and that C, D, E and F roofs are not complete, nor is B Building, a seven month impact to the contract logic start of finishes as well as depriving McDaniel an environment to forward interior rough without concern for the protection of installations and attaining labor production.

Date	Doc	Comments
Feb 3	CPMM #36	<p>Enterprise Masonry</p> <p>EDIS requested completion of masonry above E low roof so roofing can be completed</p> <p>EDIS requested F CMU walls complete NLT 2/17</p> <p>Roofing CTA</p> <p>Not present for meeting</p> <p>F low roof over locker rooms complete</p> <p>C D E cap flashing still not done</p> <p>E detail work not done</p> <p>F roofing was supposed to be complete 1/22, still not done</p> <p>Drywall NDK</p> <p>A parapet wall done</p> <p>D ongoing - was supposed to be done 1/28, but new date is 2/5</p> <p>F operable partition not done</p> <p>E ongoing</p> <p>Penthouses: hanging has begun</p>

Despite a plethora of information, supporting a substantial completion on November 29<sup>th</sup>, 2003, and a final completion one month thereafter, on the 9<sup>th</sup> of February 2005 Weer continues to put forth a date that defies objective analysis.

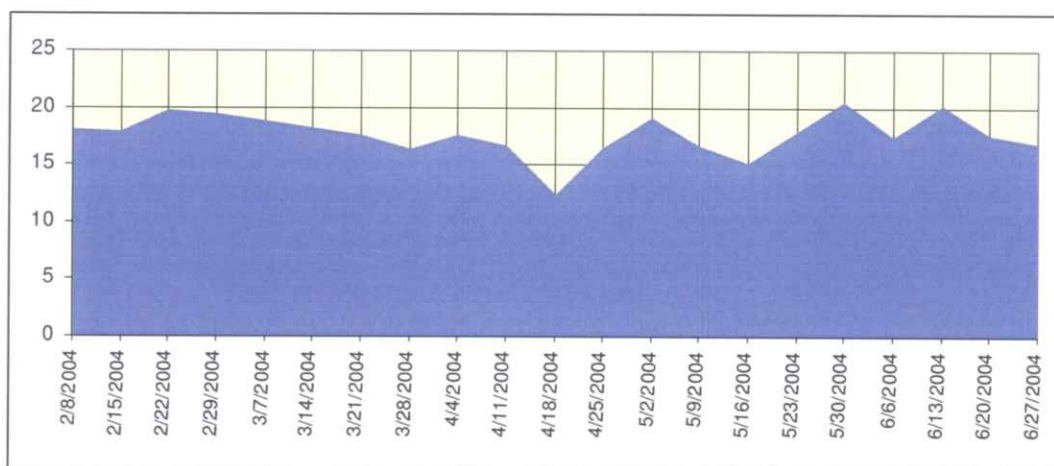
Feb 9	B&GMM	<p>"Mr. Weer shared the progress of the new Sussex Central High School with the committee. Drywall work is complete in Section C and D. Drywall has begun in E. Outside walls are complete on the cafeteria and auditorium sections. Mr. Weer expects this building to open in September."</p>
-------	-------	--

The February 10<sup>th</sup>, 2004 Monthly Status Report notes outstanding roofing, in the A, C, D, and E Buildings while F and B buildings are still under steel erection and concrete placement sequences, all of which continue to delay mechanical installations, especially ductwork, insulation and equipment placement (VAVs).

**Progressive Construction Management, Inc.**  
 Construction Scheduling, Claims and Management Consulting  
 300 East Spencer Lane, Galloway, New Jersey 08205  
 Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM

As noted earlier, finishes have commenced as of January 28<sup>th</sup>, 2004, but only in two buildings, and well ahead of the contractual schedule logic.

The net impact of the premature finish sequence in buildings C and D is that McDaniel is being constructively accelerated to keep pace with premature progress in the C & D buildings thereby requiring inordinate resources, not required, or anticipated at the time of bid, to service the impacted schedule. The following plate reflects crew sizing from February 1<sup>st</sup> through June 27<sup>th</sup>, 2003.



At the same time the prior failed concrete, steel and roofing performance, in conjunction with the premature masonry erection, is depriving McDaniel of the ability to rough in and attempt to ameliorate this constructive acceleration, thereby aggravating the already limited remaining performance window. In each case it should be noted McDaniel accelerated to service the project needs.

Regrettably, in A, D, E, F and B buildings roofing, curtain-wall, exterior masonry sequences, or a combination of any, or all of same, are actively interfering with planned performance and generating a building by building progress strategy.

This type of disparate progress, requiring various levels of concurrent, but highly varied installation per location (Versus the contract schedule that set forth similar progress transpiring in all buildings), and generally working under a constructively compressed logic, further impacted McDaniel's performance resulting in labor inefficiencies.

The result can be seen in the February 25<sup>th</sup> daily report where every area of the project is simultaneously undergoing hydronic piping rough.

Sussex-McDaniel P&amp;H

Page No. 55

The February 10<sup>th</sup> project meeting references a twelve week delay to the project asserted by EDiS, but a 90% roof completion and the ongoing window and curtain wall progress reference a date far later for Building A. That the curtain wall was to have completed on October 21<sup>st</sup>, 2003 and continues, as of February 10<sup>th</sup>, 2004, in A Building would signal a completion of finishes seven months thereafter (Per the baseline) and then a two month punch, or a revised completion in November 2004.

Area B slabs continue to be delayed ten months after the baseline completion milestone for same.

Feb 10	Monthly Project Status Report	<p>"The overall completion date is 8 Sep 04. The project is 12 weeks behind schedule."</p> <p>AREA A</p> <p>Mechanical, electrical, sprinkler ONGOING 1<sup>st</sup> floor masonry walls 75% complete Curved curtain wall erection nearly complete VAV installation started Elevator is 75% complete EPDM lower roof 90% complete</p> <p>AREA C</p> <p>Piping and ductwork complete Drwyall complete Paint 98% Science casework nearly complete Grid ceiling nearly complete Inst of lights &amp; plumbing fixtures ongoing</p> <p>AREA D</p> <p>Mechanical, electrical rough-in complete Drywall complete Paint ongoing Acoustical ceiling begun Light fixtures begun</p> <p>AREA E</p> <p>Mechanical, electrical rough-in nearly complete Brick veneer 90% EPDM complete except for cap flashing Drywall ongoing</p> <p>AREA F</p> <p>Ext CMU backup walls 99% (<i>as they were a month ago - LC</i>) Mechanical, electrical, sprinkler ongoing Installation of mechanical equipment ongoing Interior CMU walls nearly complete EPDM over lockers, kitchen, mech rm and training rm Inst of storefront windows in cafeteria ongoing</p> <p>AREA B</p> <p>Slabs-on-grade 75% complete Ext CMU wall 75%</p>
--------	-------------------------------	---



Sussex-McDaniel P&amp;H

Page No. 56

		Mechanical rough-in ongoing Theatre slab pour delayed by weather
--	--	---

The February 7<sup>th</sup>, 2004 project meeting references the impact of acceleration on rough installation. As noted NDK was directed by EDiS to board out ductwork not placed as of February 19<sup>th</sup>, 2004. The bigger issues was, if you read the NDK planned progress for framing and drywall in section 37.3.9 is that NDK is progressing this scope

Due to delays of eleven months in completion of foundations, eight months in the completion of structural steel, near ten months in the completion of slabs on grade, and twelve months in roofing the framing and drywall is progressing towards a completion two to three months behind schedule by mounting premature and largely concurrent installations that results in acceleration of rough mechanical installations.

Despite the accelerated performance of framing and drywall the meeting also references that the soffits are largely incomplete and have real impact on mechanical rough installation.

Feb 17	CPMM #37	Concrete NDK B theatre stage and penthouse poured 2/13 Masonry Enterprise Damp proofing on hold Roofing CTA Not present for meeting Cap flashing still needed for C D E F F complete except for gyms and penthouse Drywall NDK D complete F operable partition not done E ongoing and must be done by 2/23 EDiS required NDK to start framing soffits in ceilings in Areas A, C, D, E and F so other trades can proceed with their work. This work has not proceeded "NDK asked about the ductwork still remaining to be installed in the chase. EDiS directed NDK to close the duct chase on 2/19/04 if this duct is not yet installed." Penthouses A C D E complete
Feb 25	PTIR	A 2 <sup>nd</sup> Flr, Media Center A-200 Type L copper pipe. B Wing - Section 15181 - Hydronic piping. C Wing 1 <sup>st</sup> Flr - Hydronic piping C Wing 2 <sup>nd</sup> Flr - Hydronic piping D Wing 1 <sup>st</sup> Flr - Hydronic piping D Wing 2 <sup>nd</sup> Flr - Hydronic piping E Wing 1 <sup>st</sup> Flr - Hydronic piping E Wing 2 <sup>nd</sup> Flr - Hydronic piping F Wing - Hydronic piping

Sussex-McDaniel P&amp;H

Page No. 57

The March 2<sup>nd</sup>, 2004 report notes the ongoing completion of exterior masonry and curtain wall in buildings B, D, E and A.

Additionally, incomplete roof systems in every building, and no roof at all in B is waylating EDIS's effort to accelerate drywall to the extent where albeit the effort started months earlier, only E building has made any significant progress, and as noted construction of soffits is outstanding throughout.

Mar 2	CPMM 38	<p>Sitework Croll          "On 1/20/04 EDIS requested AP Croll to provide a date when they will make the final connection of the force main to the Georgetown treatment plant."</p> <p>Concrete NDK          Excavating theatre          Forming locker bases in girls' locker room</p> <p>Steel Murphy          Not present @ meeting          Needs to complete B punch list</p> <p>Masonry Enterprise          B ext walls          D-&gt;E curvewall as weather permits. EDIS says hurry up          A 1<sup>st</sup> floor south complete, now working on north side          EDIS: complete E ext walls so we can complete windows and cap flashing          Needs to cut holes for valve boxes in E stairwells.</p> <p>Roofing - CTA          C D E F cap flashing not done          A roof complete          F roof complete except Aux Gym</p> <p>Drywall - NDK          Needs to frame A operable partition          E complete          EDIS: Penthouses - be ready to install blocking as soon as panels arrive.          EDIS: Start framing A C D E F ceiling soffits so other trades can proceed.          Hanging drywall at top of walls in A and F          EDIS: Start CMU wood blocking in B</p>
Mar 8	B&GMM	<p>"All of the mechanical work is complete in A section...Mr. Weer expects the building to be ready to open in September."</p>

Despite a premature start in July of 2003, and a planned completion of masonry May 2004, two months hence (Per project meeting 39 attached schedule), as of mid March Buildings B, D and E exterior masonry remain ongoing.

During the same meeting the roofer, CTA, once again is not in attendance, but has made progress from the prior meeting by the recent completion the auxiliary gym (F

**Progressive Construction Management, Inc.**  
 Construction Scheduling, Claims and Management Consulting  
 300 East Spencer Lane, Galloway, New Jersey 08205  
 Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM

Sussex-McDaniel P&amp;H

Page No. 58

Building). EDiS then notes that the theatre needs to start no later than March 22<sup>nd</sup>, 2004.

Referencing the baseline schedule the roof was to have been completed on all structures as of July 1<sup>st</sup>, 2003, whereas A building was completed as of the March 2<sup>nd</sup>, 2004 project meeting, F Building as of the March 16<sup>th</sup>, 2004 meeting and now EDiS expects the final area complete of as March 22<sup>nd</sup>, 2004. Clearly, even if this milestone is achieved the pace is slightly under nine months behind schedule.

Per the baseline schedule logic the finishes do not commence until approximately one month after the roof is complete. That the final roof will likely not complete in March, and given that the finishes commence in January, this premature (a minimum of three months) start of finishes is accelerating the project schedule.

Additionally EDiS noted that soffit construction has begun in C, D, E and F with only E C Building boarded and finished (Apparently aside form soffit structures.

Mar 16	CPMM 39	<p>Concrete - NDK Little movement - first pour done on theatre</p> <p>Steel - Murphy No movement. B roof cannot be complete until Murphy installs their closure pieces.</p> <p>Masonry - Enterprise Little movement B ext ongoing D-E curved wall ongoing A North complete EDiS: Gotta complete E ext walls</p> <p>Roofing - CTA Not present, no progress</p> <p>Drywall - NDK "A" operable partition need to be framed EDiS: Gotta start wood blocking the penthouses EDiS: Gotta start on A C D E F soffits</p> <p>Carpentry - Briggs Metal wall panels for penthouses A C D E F arrived 3/2</p>
--------	---------	--

As of March 30<sup>th</sup>, 2004, five weeks prior to the planned completion of masonry, exterior masonry work continues in buildings B, D and E continuing to deny an enclosed structure.

The exterior masonry throughout the various buildings should have been one the first areas to progressed to avoid Winter impacts that have belabored McDaniel's performance, while the meeting also notes continued incomplete roofing.



Sussex-McDaniel P&H

Page No. 59

That combination of delinquent roofing and premature, albeit delinquent, masonry conspired to force McDaniel rough installations into the depths of Winter without heat or protection thereby forestalling duct, equipment and insulation efforts.

Another item from the March 30<sup>th</sup> meeting it is notes that the B building slab pour will be complete April 7<sup>th</sup>, 2004. EDiS notes that this pour is necessary to allow contractor work in the theatre ceiling. Give that the slabs were to have been complete on April 8<sup>th</sup>, 2003, 364 days prior, this would intimate a substantive impact to the baseline schedule logic.

Finally, as of March 30<sup>th</sup>, 2004 meeting EDiS notes that Enterprise has completed the exterior masonry at B and has commenced interior installation, while the remaining E Building exterior walls are to be complete within the week.

Clearly the premature commencement of masonry walls, immediately after slabs on grade, and in the case of B Building prior to slab on grade, have allowed masonry to recoup much of their performance time, but largely at the expense of the contractors, such as McDaniel, who they actively interfered with as a result of their premature and accelerated performance.

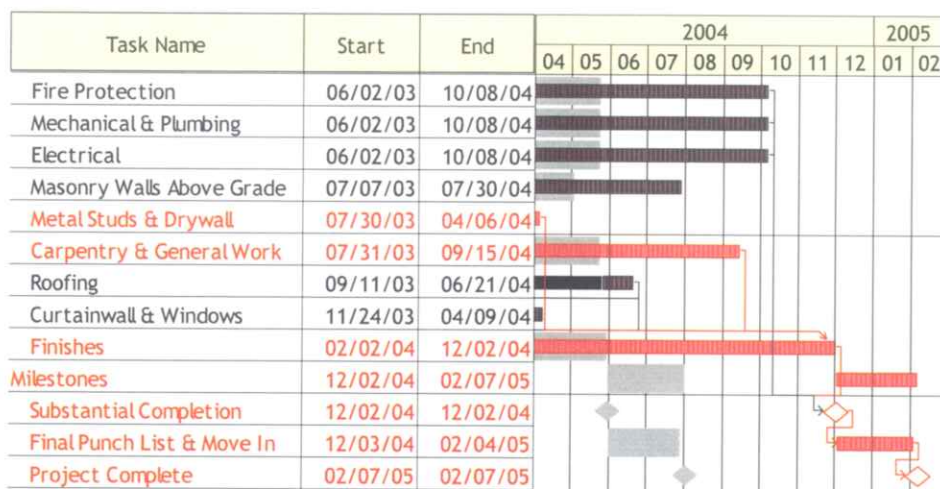
Two weeks thereafter, on April 13<sup>th</sup>, 2004, the masonry continues in B, E and F, yet despite these delays, and the initial four month encroachment of premature masonry installation, McDaniel is keeping pace with overhead inspection and punch in the C, D and E buildings, but at substantial cost as noted in the project overrun, wherein McDaniel nearly doubled their labor expenditures to complete the majority of the project scope.

In fact, despite inordinate prior impacts by a wide group of contractors EDiS will continue to assert a twelve week impact, arising from weather.

Ultimately interior masonry walls complete in July, in B building, largely discounting any contractor's chance of substantially completing the project as of May 31<sup>st</sup>, 2004. That the roof in B Building wasn't complete until June 2004 also had an additional dilatory impact, but the key initial impact of the theatre slab on grade not starting until March 2004, fifteen months behind schedule, not McDaniel's perceived failings, as asserted by EDiS, generated this abysmal progress pace. The following plate reflects the baseline logic and durations with progress input as of April 2004:

Sussex-McDaniel P&amp;H

Page No. 60



Clearly the project critical path is being driven by the baseline duration afforded for finishes and subsequent punch list and move in using baseline durations starting in February 2004.

The schedule reporting technique, utilized by EDiS to date has generated bar charts that were not CPM reflections of progress, and generally erred on the side of discounting, or obfuscating, mounting delays. This inaccurate and largely optimistic reporting of schedule impact was regularly afforded to the IRSD.

That McDaniel will ultimately become the target, for delays to the project in May through August 2004, is due to the failure to apprise the owner of the mounting impacts, prior to McDaniel's critical performance, and the placement of the mechanical scope at the end of the project schedule in conjunction with the inability of repeated EDiS update schedule's prior, constructive logic compressions to ameliorate the lapsed performance.

Mar 30	CPMM 40	Steel - Murphy B is now mostly complete Masonry - Enterprise B ext CMU complete B interior walls ongoing D-E curved wall complete E ext walls ongoing Roofing - CTA Not present @ meeting Not done: cap flashing C D E F Complete: C D (?)
Apr 2	EDIS	Above ceiling inspection
Apr 2	Memo A&S > EDIS	Area E Above Ceiling inspection

Sussex-McDaniel P&amp;H

Page No. 61

Apr 2	Memo A&S > EDIS	Area C Above Ceiling Re inspection 3/31/04
Apr 2	Memo A&S > EDIS	Area D Above Ceiling Inspection
Apr 5	EDIS > All Contractors	1C Above Ceiling Punchlist
Apr 13	CPMM 41	Masonry - Enterprise B ext CMU complete B interior walls ongoing E ext walls ongoing F brick veneer ongoing Roofing - CTA Not present @ meeting Not done: cap flashing C E F Not done: roof over entrance b/w gym and weight room Not done: roofing and gravel stop over penthouses Complete: C D (?)

As of the April 27<sup>th</sup> project meeting Building B interior walls remain ongoing while roofing remaining issues are still not addressed in the majority of buildings.

Apr 27	CPMM 42	Masonry - Enterprise B interior walls ongoing E ext walls complete Roofing - CTA Not present @ meeting Not done: cap flashing C E F Not done: roof over entrance b/w gym and weight room Not done: roofing and gravel stop over penthouses ASAP: Roofing in Area B ASAP: Roof over penthouse B301 Complete: C D (?)
May 3	EDIS > MPH	Partial Withholding of Payment Application #19
May 10	MPH > EDIS	Sussex Central High School Delay Issues
May 12	Monthly Project Status Report	<p>"The project is 14 weeks behind schedule."</p> <p>AREA A</p> Mechanical, electrical ongoing Started: brick veneer Complete: Elevator Started: 2 <sup>nd</sup> floor paint Complete: Paint of lobby Complete: Framing of admin area Ongoing: Drywall Started: Framing of shed roof over admin area Complete: Epoxy floors in bathrooms <p>AREA C</p> Complete: paint Complete: plastic casework

**Progressive Construction Management, Inc.**  
Construction Scheduling, Claims and Management Consulting  
300 East Spencer Lane, Galloway, New Jersey 08205  
Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM



Sussex-McDaniel P&amp;H

Page No. 62

		<p>Ongoing: technology installation  Ongoing: cap flashing parapet  Complete: installation of boards, computers  Ongoing: VCT flooring, doors &amp; hardware</p> <p>AREA D  Complete: painting interior, plastic casework, cap flashing on parapet, metal wall panels in penthouse, marker board, workstations  Ongoing: Doors &amp; hardware</p> <p>AREA E  Complete: Brick veneer, paint, casework, workstations, boards  Ongoing: Doors &amp; hardware</p> <p>AREA F  Complete: paint in weight room, locker rooms, kitchen; pouring of concrete locker bases; kitchen hood; piping of chiller; epoxy floors in locker room bathrooms.  Almost complete: mech &amp; electrical; inst of mech rm eqpt  Ongoing: paint in main gym</p> <p>AREA B  Complete: slabs-on-grade; elevated slabs-on-grade; interior CMU in theatre; ext metal wall studs and sheathing; theater roof  Ongoing: CMU wall except theater; mech, electrical, sprinkler rough-in; brick veneer  Begun: roofing over classrooms</p>
May 11	CPMM 43	<p>Enterprise  Is proceeding with interior walls in B, and brick veneer in A and B</p> <p>Roofing - CTA  Not present @ meeting  Not done: cap flashing C E F  Not done: gravel stop over penthouses  ASAP: Roofing in Area B  ASAP: Roof over penthouse B301</p>
May 13	Exec Mtg Minutes 28	Still on schedule for Aug 04 move-in

As to the prior issue of EDiS reporting, as of May 13<sup>th</sup>, 2004 IRSD appears to be under the belief that there have been no impacts to the schedule that would forestall the final completion beyond August.

The second item of note is the May 17<sup>th</sup>, 2004 walk through of the mechanical penthouses, by Allen & Shariff, wherein they compliment the work being installed by McDaniel. These comments regarding what later is an area that is removed from McDaniel's contract due to among other issues supposedly inferior installation appear contradictory.

Sussex-McDaniel P&amp;H

Page No. 63

Note that the same outstanding thermostat, valve, gauge and flow meter installations are ultimately a part of the basis for removal of McDaniel from this area, but the early inclusion of these items and their status demonstrate that they could, in fact, be installed later in the project without adverse impact.

May 17	A&S > EDIS	Mechanical Room Preliminary Piping Inspection, Penthouse D Preliminary Piping Inspection. "Much work still needs to be done, and details such as thermometers, pressure gauges, vents, flow meter fittings, etc., still need to be installed. <b>But McDaniel's crew is doing a nice job in the Mechanical. Room and we assume will continue to do so until completion.</b> "
Jun 7	EDIS > MPH	Penthouse Piping Inspection
Jun 7	B&GMM	No mention of any delays. "Mr. Weer plans to have the administration area operational in early August."
Jun 14	MPH > EDIS	Request for meeting to discuss issues re starting up air conditioners
Jun 14	MPH > EDIS	Things other contractors have to do for MPH to complete work on chiller and AHU's

On June 21<sup>st</sup>, 2004, little more than a month prior to the original project substantial completion date, EDIS notes that the project was four months, or sixteen weeks, behind schedule noting that the theater will be complete on or about the middle of October 2004.

The B Building progress continues to be largely hindered by the lack of a complete roof structure only just completed as of June 21<sup>st</sup>, 2004.

Also noted in the meeting, concurrent interior and exterior masonry and MEP rough are progressing in B. That the baseline progress schedule referenced the masonry walls complete ten months after the completion of roofing demonstrates how late the roofing really is, and how accelerated the masonry performance has become to close and ultimately discount the roofing masonry gap. The concern is that masonry performance, so far ahead of scheduled logic, results in the compression of the available MEP rough and finish performance durations in later buildings.

Jun 21	Monthly Project Status Report	<p>"Areas C, D, E and F remain on schedule. Completion date for Area A has been adjusted to have the area completed by the end of July. Area B is behind schedule. The VO/AG and shops areas are expected to be complete by the end of September. The theater will be complete by the middle of October."</p> <p>"The overall project is 16 weeks behind schedule."</p> <p>AREA A</p> <p>Ongoing: Mechanical, electrical; interior brick veneer @ entrance; 2<sup>nd</sup> floor paint; drywall.</p>
--------	-------------------------------	--

**Progressive Construction Management, Inc.**  
Construction Scheduling, Claims and Management Consulting  
300 East Spencer Lane, Galloway, New Jersey 08205  
Phone 609 404 1684 Fax 404 1685 Email PCMCASSIN@MSN.COM